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Coffee

World Coffee Situation

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WORLD COFFEE SITUATION

SUMMARY AND OUTLOOK

World green coffee production for 1985/86 is estimated at 98.6 million 60-kilogram bags, virtually unchanged from the June forecast and 9 percent more than the previous season. The current estimate, a new record, is 1 percent above the previous record of 98.2 million bags in 1981/82. A 6-million bag increase in output for Brazil accounts for most of the increase in the 1985/86 world coffee crop.

World coffee supplies are adequate to meet global consumption requirements through the current marketing year. World consumption is expected to expand slightly in 1985/86 to about 93 million bags, but will fall short of production for the year by some 6 million bags. World coffee stocks are expected to total around 48 million bags at the end of 1985/86, equivalent to 56 percent of world consumption, up from 49 percent for 1984/85.

While world coffee supplies are adequate for global needs through 1985/86, a severe drought in the major coffee growing areas of southern Brazil could significantly reduce Brazilian coffee production and export potential in 1986/87. The drought-induced losses are occurring in areas which normally produce Brazil's better quality coffees.

There is at present a growing concern that the drought in Brazil may also have affected 1987/88 crop prospects and that the trees, in their weakened state, could be further damaged if a frost occurs in mid-1986.

Speculation that a significantly smaller supply of good quality "Unwashed Arabicas" will be available to roasters is leading to sharp rises in green coffee prices. The International Coffee Organization's composite indicator price (CIP) for major types of green coffee, which averaged \$1.41 per pound in calendar 1984, dropped to \$1.20 per pound in the third quarter of calendar 1985. Since then the CIP has risen rapidly so that by the end of December it was above \$2.00 per pound. It seems certain that ICO export quotas will be temporarily suspended on Feb. 18, 1986, when the 15 day moving average of the CIP will have remained above \$1.45 per pound plus 3.5 percent for 45 market days. Sharp price rises for green coffee have begun to show up in the domestic market as higher wholesale and retail prices.

U.S. domestic green coffee imports for the first 11 months of 1985 were 2.2 percent higher than for the same period in 1984. However, a portion of these imports were probably being stocked as domestic roastings were essentially unchanged.

MARKET SITUATION

At the time of the ICO meeting in September 1985, the general impression was that with a global quota of 58.0 million bags for member countries, prices, which had been declining throughout the summer, would stabilize within the lower half of the Organization's 120 to 140 cents per pound inner price range. While a 58.0 million-bag quota would be slightly below demand for the year, stocks held by consuming members were believed higher than usual. By early November, market prices for coffee were rising rapidly due to speculation over the potential impact of the prolonged drought on Brazil's 1986/87 coffee crop. The disruption of shipments from Uganda and other East African countries due to the political situation in Uganda, along with concern over the possible effects the eruption of the Nevado del Ruiz Volcano in Colombia, also were factors in the price rise.

On November 19 the 15-day CIP rose above \$1.40 per pound triggering a 1.0 million bag increase in the initial global quota. A second 1.0 million bag increase occurred on December 10 when the 15-day indicator price remained above \$1.40 per pound for 15 consecutive market days.

In an effort to slow the rapid rise in prices, the ICO's Executive Board, at its November 25-28 meeting, approved a measure which would allow producers to export 35 percent of their annual individual quotas during the first quarter of coffee year 1985/86 instead of 25 percent. The ICO's Executive Board decided against taking other special measures to dampen the price rise because the situation in Brazil remained unclear and because some countries such as the United States are opposed to altering the terms of the ICA every time there is a crisis.

On December 13, the ICO raised the global annual quota for coffee year 1985/86 another 3 million bags to 63.0 million bags and the quota for the first quarter (October-December) to 20.3 million bags (Table 9). However, the Organization had no authority to enforce fulfillment of quotas by individual members within the designated period. Thus, suspension of the quotas on Feb. 18, 1986 seems inevitable. Some members have asked that a special meeting of the Executive Board or Council be called to suspend quotas immediately.

Actually, the world entered an essentially quota-free situation last December when it became apparent the ICO almost certainly would allow suspension in February. The release of the additional 3 million bags had virtually no market impact and the ICO has exhausted its price defense resources.

A few producing and consuming countries see the prospect of a temporary quota suspension as a means by which some of the problems of quota distribution can be resolved. In any case no special measures were taken at the January Executive Board meeting and prices continued to rise.

Between mid-October 1985 and early January 1986 prices for the March futures contract for coffee at the New York Coffee, Sugar and Cocoa Exchange rose from \$1.40 per pound to \$2.75. Prices almost routinely were up to their daily limit of 6 cents a pound for deferred contracts with few technical corrections. Futures market prices are now at their highest level since 1976 when they reached \$3.29 per pound.

Trading volumes have more than tripled since October, but this bears no relationship to actual shipments by exporting countries whose trade volume beyond November 1985 remains unknown. The governments of most producing countries are aware that consumption in importing countries could be hurt by sharply rising coffee prices. While many of these countries would like to increase their shipments to dampen the current price spiral, their traders are hoarding coffee in anticipation of even higher prices.

Initially, commodity speculators in the United States and Europe, with dull markets for other commodities, were attracted to coffee, but now because prices may remain high for an extended period, roasters have begun to buy to ensure reserve supplies of the growths needed for their blends and short sellers are trying to balance their position to prevent further losses. If the current drought has a multi-year effect beyond 1986, or if there is a frost in Brazil in 1986, world coffee prices could remain high for several years. While many countries will derive an immediate benefit from high coffee prices, over the longer term price stability is preferred, especially by those highly dependent on coffee for foreign exchange earnings.

EXPORTS

In July 1985, USDA estimated coffee exports during crop year 1985/86 at 70.2 million bags. The export forecast has been increased to 70.7 million bags, not because of the Brazilian drought, but because it represents world demand for the year, irrespective of price. However, the distribution of exports among producing countries may be somewhat different than that shown in Table 4 because countries with adequate supplies and the ability to move their coffee to port may take advantage of the forthcoming suspension of ICO export quotas and high prices to ship larger amounts over the next few months.

Countries which cannot take advantage of the current market situation may ship less than expected during the current crop year. Shipments to ICO non-members in 1985/86 were previously forecast at 9.6 million bags, down from 11.2 million bags the preceding year. Non-member shipments now can be expected to decline even more as price discounts are eliminated. Exports of coffee by ICO members to members should increase by the reduction in shipments to non-members. In the absence of quotas some members may want to ship more to members in an effort to obtain larger quotas when controls return. Since coffee consumption in member countries may decline slightly, the increased exports would be stocked.

STOCKS

How the world coffee market survives the Brazilian drought will depend on the amount of coffee stocks carried into crop year 1986/87, not only by Brazil, but by all producer and consumer countries. Coffee stocks held by consuming countries are likely to grow by several million bags during 1985/86 (Table 3).

Based in part on larger than expected exports, USDA's estimate of stocks held by producers at the end of crop year 1984/85 has been reduced from about 45.0

million bags to 42.3 million bags. Further adjustment in the quantity of stocks held at end of the crop year 1984/85 is possible since it has been difficult to verify the exact quantity of stocks held at interior points in some countries.

USDA estimates that producing countries will end the current crop year (1985/86) holding 48.5 million bags. If Brazil's 1986/87 crop is as poor as the trade's estimate of 13-16 million bags, producer held stocks could decline to 35 to 38 million bags at the end of 1986/87. This would be the lowest since 1980/81, but well above the 25 million bags held at the end of 1978/79 and 1979/80. While the quality of year-end stocks is often questioned by the trade, USDA believes most stocks are exportable at some price or can be sold on the domestic market.

IMPORTS

Green coffee imports by members of the ICO totaled about 56.5 million bags during calendar 1984 compared to 55.7 million bags for the previous year. Based on the latest data available imports of green coffee into selected coffee-consuming countries (in bags of 60 kg.) is up about 1.6 percent in 1985.

<u>Country</u>	<u>Period</u>	<u>1985</u>	<u>1984</u>	<u>Change</u>
Switzerland	Jan.-Nov.	1,026,651	912,833	+12.5
United States	Jan.-Oct.	15,640,757	15,419,331	- 1.4
West Germany	Jan.-Oct.	5,631,362	5,900,038	+ 4.6
France	Jan.-Oct.	3,974,365	3,993,237	+ 0.5
United Kingdom	Jan.-Oct.	1,498,028	1,575,375	+ 4.9
Finland	Jan.-Oct.	803,306	889,728	+ 9.7
Denmark	Jan.-Oct.	647,159	648,874	+ 0.3
Japan	Jan.-Sept.	2,928,100	2,948,385	+ 0.7
Netherlands	Jan.-Sept.	1,799,840	1,778,859	- 1.2
Sweden	Jan.-Sept.	1,136,533	1,126,317	- 0.9
Italy	Jan.-Aug.	3,034,018	2,289,071	-32.5
Canada	Jan.-Aug.	903,365	989,383	+ 8.7
Austria	Jan.-June	455,113	373,197	-21.9
Norway	Jan.-June	348,171	348,433	- 0.1
Total		39,826,768	39,193,061	+ 1.6

Source: Official statistics and trade sources from Paton's Complete Coffee Coverage.

Although consumer demand is not usually responsive to minor fluctuations in the prices for coffee, a dramatic price rise can lead to a switch to competing beverages. History has shown that lost coffee drinkers are hard to win back.

INTERNATIONAL COFFEE ORGANIZATION (ICO)

The International Coffee Council's (ICC) 44th session which began September 16 did not end until October 2. At the meeting's conclusion, the United States voted against the package of economic provisions approved by all other members, in large part because it was unable to get satisfactory resolution on the issue of non-fulfillment of quarterly export quotas, especially by producing countries with heavy sales to non-members at discount prices. Individual producing members with surplus stocks believe that ICO sales can be made at any time during the coffee year but that the opportunity to sell to non-members may be transitory. West Germany, the world's second largest consumer after the United States, also was dissatisfied with the outcome of the meeting since it had wanted a more market oriented program and a larger global quota which would have helped make available a larger supply of the high quality coffee it wants. Other important concerns which were at least partially resolved by the Council were a system for dealing with requests from individual countries for quota increases and a stock verification system which would better identify stock quality.

Price Range

At the time of the 44th session, producing countries believed prices were too low in relation to production costs, but consumers were unwilling to pay more in view of the apparent excess world supply. As a result, the International Coffee Council approved a package of economic measures designed to keep the 15-day CIP price between 120 and 140 U.S. cents per pound for the fifth consecutive year.

Global Quota

The global annual coffee export quota for coffee year 1985/86 was set at 58.0 million 60-kilogram bags of which 55.1 million bags were allocated to members entitled to a basic quota and 2.9 million to members exempt from basic quotas (Table 7). The 58.0-million-bag annual quota does not include an additional 450,000 bags allocated to Ethiopia, replacing quota it was unable to export in coffee year 1984/85.

Trigger points for the system's upward and downward adjustments remain unchanged from those applied during coffee year 1984/85. Members exempt from quota adjustments, those exporting less than 400,000 bags annually plus Rwanda and Burundi, are not subject to increases or decreases in their annual quotas. Members exporting less than 100,000 bags may export their full entitlement at any time during the coffee year, and those within the 100,000 to 400,000 bag bracket plus Rwanda and Burundi may export their full entitlement for each quarter after presentation to the Executive Director of acceptable evidence they have sufficient coffee for export. In contrast to coffee year 1984/85, when all quota adjustments were 1 million bags, quota reductions and increases at the outer trigger points of the price range (\$1.15 and \$1.45) were set at 1.5 million bags as part of the effort to return prices to the \$1.20 - \$1.40 per pound inner price range. No more than two increases or reductions in quotas may be made in any one quarter, unless the Executive Board decides otherwise.

If coffee prices decline again this coffee year, quotas could be reintroduced as soon as the 15-day CIP is at or below 130 cents per pound plus 3.5 percent or about 134.55 cents.

Individual coffee quotas remain, to a large extent, ad-hoc based on the distribution of production prior to the disastrous 1975 frost in Brazil. No portion of the current year's quota is based on year-end stocks. Basing up to 30 percent of annual quotas of individual countries on national stocks is authorized under the terms of article 35 in the 1983 Coffee Agreement. A wholesale re-allocation of quotas is scheduled for the September 1986 Council meeting.

In general, countries which have expanded coffee production substantially over the last decade support a dynamic system which places quotas where the coffee is, while those concerned about world overproduction or who have not expanded production take the opposite position. The U.S. position is that quota allocations should be made on the basis of objective criteria which best reflect changing world production and trading patterns. No issue may be more difficult to resolve at the September 1986 meeting.

Coffee Exports to Non-Members

Producer members of the ICO have rapidly increased their exports to non-members since quotas were first imposed Oct. 1, 1980. Such sales, at substantial discounts, have greatly undermined support for the Organization. However, some of the countries forced to sell large quantities of coffee to non-members, led by Indonesia, maintain that for them to curb non-member sales, quota allocations must reflect current levels of production.

The major suppliers of coffee to non-members during coffee year 1984/85, with comparable 1983/84 data in parentheses, in thousands of bags, were : Indonesia-2,571 (2,107), Brazil-1,818 (2,821), Guatemala-1,250 (33), Mexico-1,049 (830), Colombia-919 (836) and Costa Rica-887 (571).

One of the ICO resolutions (336) prohibits the sale of coffee to non-members at prices which are less than those available to members. Discussions on this issue were not complete at the November 25-28 Executive Board meeting and the matter was deferred until the January 20-24 Board meeting. The Board also was scheduled to resume consideration of penalties for failure to comply with Resolution 329 under which ICO exporters must provide proof that coffee exported to non-ICO countries has actually reached its destination.

Over the past three months, exporting countries have, of their own accord, reduced both the volume of shipments to non-member markets and the discount in prices, partly in compliance with Resolutions 329 and 336 but more likely because of the rapid rise in world coffee prices. Only about 310,000 bags of green coffee were shipped to non-members in October 1985, down from 860,000 bags in October 1984. Half of this volume was accounted for under sales contracts signed before April 22, 1985.

Undershipments

During the September 1985 Council meeting the United States indicated it would not be willing to discuss other matters until satisfactory progress was made on the question of undershipments. Under its proposed solution the United States sought a system to penalize countries with undershipments, especially those which also had a high level of exports to non-ICO members at discounted prices. The concern was not so much that exporting countries would undership their annual quotas but that quarterly distributions of that quota, although not mandatory, were not being observed.

Undershipments during the first six months of the 1984/85 coffee year totaled about 3.7 million bags. Undershipments for the year ultimately totaled only 726,795 bags.

The following countries undershipped their 1984/85 quotas: Guatemala, 2,186 bags; Ethiopia, 433,366 bags; Angola, 76,250 bags; OAMCAF, 15,657 bags; Uganda, 5,092 bags; Haiti, 108,461 bags; Equatorial Guinea, 8,550 bags; Ghana, 33,328 bags; Guinea, 10,000 bags; Liberia, 1,061 bags; Nigeria, 20,447 bags; Sierra Leone, 8,573 bags and Trinidad and Tobago, 3,824 bags.

At the ICO's Executive Board meeting Nov. 25-28, 1985, delegates approved a measure allowing producers to export 35 percent of their annual quota in the first quarter, instead of 25 percent. The amount of quota transferred forward into the October/December quarter would be subtracted from the third and fourth quarters (April/June, July/September), while the quarterly allocation for the second quarter (January/March) would remain unchanged at 25 percent. The measure was designed to increase the supply of coffee available in October/December and bring the ICO indicator price back into the 120-140 U.S. cents per pound price range.

Non-Member Imports

At its 44th Session the International Coffee Council also agreed to limit imports from non-members for coffee year 1985/86 to 297,696 60-kilogram bags, distributed as follows:

<u>Importing Members</u>	<u>Limitation</u>	<u>Importing Members</u>	<u>Limitation</u>
United States	0	Other Members	187,074
European Community	110,620	Australia	1,652
Belgium/Luxembourg	23,023	Austria	163
Denmark	16,593	Cyprus	148
France	8,954	Fiji	4
West Germany	4,884	Finland	2,770
Greece	1,611	Japan	10,503
Iceland	744	New Zealand	576
Italy	39,489	Norway	7,269
Netherlands	11,617	Portugal	9,891
United Kingdom	3,705	Singapore	87,060
Spain	49,687	Sweden	240
Switzerland	15,306	Yugoslavia	0
		TOTAL	297,694

The annual limitation has been adjusted downward from last year based on Cuba and Zambia becoming members and voluntary reductions in the amounts individual members would import.

Future Meetings

The Executive Board of the ICO will meet again later this month (January 20-24) in London to consider the market situation.

PRODUCTION AND TRADE IN SELECTED COUNTRIES

North America, Central America and Caribbean

The 1985/86 (October/September) Guatemalan coffee crop is now estimated at 2.53 million bags, down from 2.7 millions bags in 1984/85, due to less favorable weather conditions. Highland coffee trees bloomed later than normal and were hit by early showers.

Guatemala's coffee exports exceeded 3.0 million bags in 1984/85 with more than one-third going to non-ICO markets. All non-quota sales were contracted prior to April 22, 1985. While dollar returns per bag for coffee destined for the non-member market brought only about half that to ICO markets these exports were preferred by the trade for a time because dollar returns from non-member exports could be exchanged at 2.5 quetzales to \$1 while the exchange rate for ICO sales was 1 to 1.

Since October 1, Guatemalan exports have been held down by the slow rate at which export permits are processed. As of November 12, exporters had registered sales totaling 277,000 bags, but export permits had been issued for only 121,000 bags and actual exports had reached only 41,000 bags.

The 1985/86 (Oct./Sept.) Mexican coffee crop, at about 4.48 million bags, is expected to be somewhat smaller than the record crops of 1982/83 and 1983/84. In part, this is due to the incomplete recovery of trees in the San Luis Potosi area from the 1983 freeze.

About 500,000 hectares are devoted to coffee in Mexico, including about 100,000 which are considered marginal. Because the Mexican Coffee Institute (INMECAFE) has viewed the world coffee supply in surplus in recent years, the Institute has worked with the Ministry of Agriculture to develop crop substitutes for the marginal land and to concentrate on yield and quality improvements in the best coffee growing areas.

Mexico is one of the few producing countries where coffee consumption is increasing. This is attributed to the substitution of coffee for milk in the diets of the lower and middle class families because milk has become too expensive.

Mexican exports totaled about 3.0 million bags in 1984/85. A higher proportion of the country's export volume in 1985/86 could go to ICO member country markets, led by the United States. Mexico is a unique U.S supplier in that most of its coffee enters by land transport.

MEXICO: EXPORTS TO MEMBERS AND NON-MEMBERS OF THE ICO BY
MARKETING YEARS 1979/80-1984/85

YEAR	MEMBER	NON-MEMBERS	TOTAL
-----Thousands of 60-kilo bags-----			
1979/80.....	2,253	37	2,290
1980/81.....	1,884	69	1,953
1981/82.....	1,808	38	1,846
1982/83.....	1,878	1,231	3,109
1983/84.....	2,073	830	2,904
1984/85.....	1,957	1,049	3,007 ^{1/}
1/ Includes estimates for September.			

Nicaragua's 1985/86 (Oct./Sept.) coffee crop is forecast at 830,000 bags, down from last year's 850,000 bags, due to the cyclical pattern of production. A major portion of Nicaragua's coffee is grown in areas of political unrest and there is concern that part of this year's crop may go unharvested.

Government employees, students, military personnel, and international volunteers were among those asked to help pick the 1985/86 coffee crop. Owners of private plantations complain that inexperienced pickers damage their coffee trees and are the cause of substantial picking losses. About 75 percent of the total area in coffee in Nicaragua is privately owned.

Over 90 percent of Nicaragua's coffee is exported to markets in the German Democratic Republic, France, Netherlands, Japan, Italy, Algeria, United Kingdom and Spain. There are no sales to the United States. Movement of the 1984/85 crop to port was plagued by organizational problems and inadequate storage and transport facilities.

South America

Reports that Brazil's 1986/87 coffee crop may have been damaged by drought surfaced in mid-October 1985. At that time, the Brazilian Coffee Institute reported that dry weather which had existed since August or early September had affected the first flowerings in Sao Paulo and southern Minas Gerais, but that with good rains a second flowering was possible. Under normal conditions Brazil's coffee trees first bloom about mid-September followed by a second and sometimes third bloom in October or early November. Moderately heavy rains fell throughout Brazil's major coffee growing areas in early November, but these only temporarily interrupted the drought's progress.

Thunderstorms occurred again in early December, but the resultant showers were too widely scattered to have a major effect. By then damage to the 1986 coffee crop was believed to be largely irreversible anyway.

Given normal weather conditions and proper plantation management, the area in Brazil currently devoted to coffee should produce between 27 million and 33 million bags annually with the range primarily based on the biennial bearing tendencies of the trees.

If Brazil's 1986/87 crop falls as low as 15 million bags and this level of production were added to USDA's estimated 1985/86 ending stocks of 13.2 million bags, it would allow for exports and domestic consumption at normal levels, but would place Brazil in an extremely vulnerable position for 1987/88 with very low stocks.

The IBC's marketing policy for Brazil's large 1985 coffee crop was originally aimed at ensuring an adequate export volume, maximizing foreign exchange earnings, reducing government expenditures to buy crop surpluses and strengthening a weak domestic coffee market. One of the major features of the new policy was the imposition of a compulsory retention system whereby exporters were required to stock two bags of coffee with the IBC for every bag registered for export during the October-December 1985 period. The stocking requirements as later reduced to 1:1. Another measure that went into effect July 1 guaranteed a minimum net export price of 450,000 cruzieros (\$64.84) per bag, to be corrected for inflation, every three months. Exporters complained that the guaranteed net export price would not compensate them for the cost of carrying IBC held stocks for 90 days, as required.

The IBC usually determines how much coffee it wants to export and then sets its marketing policy accordingly. Most often it can encourage or discourage additional exports by raising or lowering export rebates, especially to major roasters in importing countries.

Apprehensive about the longer term effect of a run-up in coffee prices on world consumption and the future of the ICA, the IBC initially sought to encourage additional exports during the October-December 1985 period. However, because of the attractive international prices, exporters more than met the IBC's goals so that registrations of green coffee sales for December shipment had to be terminated in early December when rising prices brought the discounts granted foreign buyers up to the legal limit, the full value of the 33 percent export tax. By then registrations for the month had reached a record high volume of 3.21 millions bags, over twice the normal monthly average. The total included 2.87 million bags to ICO members and 338,000 to non-members.

In early December Brazilian authorities approved a 45-percent increase in the domestic price for roasted coffee because of the sharp rise in coffee prices for both the internal and external markets. Registration of sales of soluble coffee for export was suspended as of Dec. 18, 1985. The IBC also announced that the severe drought damage to Brazil's 1986 coffee crop had changed Brazil's and the world's coffee marketing prospects and that the IBC needed a new set of marketing guidelines.

Prices for grower-held stocks in Brazil are rising rapidly. Spot domestic prices in early January ranged between 3 and 3.5 million cruzeiros per bag compared to official support prices of 882,235 cruzeiros per bag for type 6 Arabica and 803,760 cruzeiros for type 7 Arabica as well as Robusta type 7.

The following IBC marketing provisions were published January 7:

--Resolution 1/86: Suspends indefinitely the retention system of one bag for each bag exported, as of Jan. 7, 1986;

--Resolution 2/86: Provides that the value of the coffee export tax will be calculated on the basis of the minimum export price set by IBC and not on the effective export sale price of coffee;

--Resolution 3/86: Provides that the price of all coffee sales, carried out on the basis of later payment, will be increased by an interest rate of 1 percent a month;

--Resolution 4/86: Raises IBC minimum export price applicable to type 6 Arabica coffee free of Rio zone flavor from U.S. \$1.42 to U.S. \$2.81 per pound, effective January 7, 1986;

--Resolution 5/86: Reduces the value of the export tax applicable to exports of type 6 Arabica coffee from 33 percent down to 15 percent of the minimum export price set by IBC;

--Resolution 6/86: Sets authorization to resume, as of Jan. 7, 1986, registration of sales declaration for type 7 Arabica coffee with Rio zone flavor, for which IBC raises the minimum export price from U.S. dollars \$1.35 to U.S. dollars \$2.70 per pound;

--Resolution 7/86: Reduces the value of the export tax applicable to export of type 7 Arabica coffee with Rio zone flavor from 33 percent down 25 percent of the minimum export price set by IBC;

--Resolution 8/86: Sets authorization to resume, as of Jan. 7, 1986, registration of sales declaration for type 7 Robusta coffee for which IBC raises the minimum export price from U.S. \$1.20 to U.S. \$2.25 per pound;

--Resolution 9/86: Reduces the value of the export tax applicable to exports of type 7 Robusta coffee from 33 percent down to 25 percent of the minimum export price set by IBC;

--IBC resolution 10/86: Suspends soluble coffee labeling requirement to include IBC symbol for quality on domestic market sales.

At 12.5 million bags, USDA's estimate of the 1985/86 (Oct./Sept.) Colombian coffee crop remains unchanged from its June forecast. The National Federation of Coffee Growers of Colombia (CGF) has indicated that coffee trees in the region were largely unaffected by the mid-November volcanic eruption of Nevado del Ruiz. No long-term adverse effect on the nearby coffee trees is expected, but because Colombia has no historic experience of this nature, the effects of the ash on the coffee trees will be monitored closely.

According to Federation sources, physical losses to coffee were believed to total no more than the 300,000 to 350,000 bags stored in warehouses in Armero and nearby Chinchina. CGF research facilities in Chinchina also may have been damaged along with local coffee buying and processing facilities in the area of the volcano.

At 11.0 million bags, the 1984/85 Colombian coffee crop was well down from pre-harvest estimates. Greater than expected losses may have occurred from the exceptionally heavy rains which fell during 1983 and the subsequent dry period during the first half of 1984.

In recent years, some marginal coffee farmers have been encouraged to grow other high return crops such as corn in order to reduce the country's coffee surplus. A program to encourage the pruning of extensive areas of 8-9 year old trees may also have been a factor in the lower 1984/85 outturn.

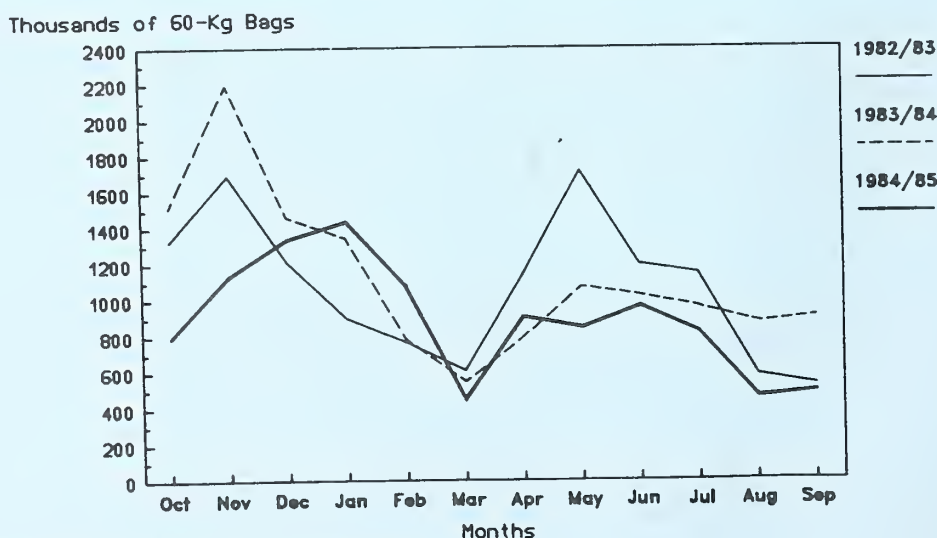
Finally, an undetermined part of the reduction may have occurred as a result of the damage caused by the quickly spreading coffee rust and the reduced usage of compound fertilizers due to their high cost. CGF officials have estimated that 35 percent of Colombia's coffee growing areas are affected by rust at present.

Unlike Brazil, where the coffee harvest is concentrated within a four month period (May-August), Colombia harvests its beans throughout the year. As the following chart shows, the harvest is somewhat concentrated in two periods.

Pressured by producers, the Government of Colombia, on November 8, 1985, authorized an increase in grower prices, the fourth for 1985. Grower profit margins had been declining in recent years, thus the November increase was designed, in part, to recapture grower purchasing power lost between 1982 and 1983.

Prior to the recent rise in coffee prices, Colombia had been expected to export about 10.1 million bags during coffee year 1985/86. Exports may now turn out to be much higher as Colombia is one of the few countries that can substantially increase its volume. Colombia has indicated to the ICO that it can ship up to an additional 1 million bags each quarter during the current coffee year. (Table 8) It is probably limited to that additional amount by its ability to transport the coffee internally and its port loading facilities. Any shortfall in supplies available for export from the current year's crop can easily be made up from an estimated 12.1 million bags of export quality stocks held by Almacafe, storage arm of the CGF.

COLOMBIA: PRODUCTION OF GREEN COFFEE BY MONTHS, 1982/83 - 1984/85 1/



1/ Based on sales registered with the Colombian Coffee Federation (CGF)
Source: CGF

Africa

Cameroons' 1985/86 (Oct./Sept.) coffee crop will be down because of the 2-year production cycle. Rumors that the crop has been severely damaged by heavy rains are being discounted, at least for the present. Adequate soil moisture, sunlight and input use favored the 1984/85 coffee harvest and it now appears that crop was slightly higher than expected. Although Arabica growing areas were not as severely affected by the 1983/84 drought, this does not seem to have deterred the rapid shift to Robusta. While the area in Robusta is being expanded and improved, a conversion to food crops is underway in traditional Arabica producing areas. Robusta now account for over 80 percent of total coffee production in Cameroon.

The quality of the 1984/85 Cameroon coffee crop is believed to be somewhat lower than in 1983/84 due to high moisture and increased insect damage. To some extent export quality was maintained by closer phytosanitary inspection by the government. The Cameroon's principal markets are in West Europe. Quality conscious West Germany buys the largest share of Arabica, with the Netherlands taking the largest share of Robusta. Over 70,000 bags of Robusta were shipped to the Ivory Coast during 1984/85 to help that country fill its ICO export quota. Such movements within The Organization of African and Malagasy coffee Producers (OAMCAF) are authorized by the ICO.

The 1985/86 (October/September) Ethiopian coffee crop is considered good at about 3.15 million bags, not having been affected by the drought of the past 2 years. While the drought is over, the situation is not back to normal as government resettlement programs continue to draw off available transport facilities. Although ICO quotas will probably be suspended, Ethiopia seemed likely to undership its ICO quota for 1985/86, especially since its authorization for the year was increased by 1984/85 drought-related undershipments.

While Ethiopia has East European coffee markets as an offset to machinery and equipment purchases from these origins it prefers sales to ICO quota markets for hard currency at more favorable prices.

Ivory Coast production is estimated at 5.0 million bags for 1985/86 (October/September), the largest crop since 1980/81. This year's rains have been good, boosting bean size. Factory processing of the crop began in December and initial signs pointed to a crop of good quality. Unlike last season, farmers are not picking unripe berries. This should result in a lower percentage of black beans.

Kenya's 1984/85 (October/September) coffee harvest now is estimated at about 1.5 million bags, 32 percent below the previous year and 300,000 bags below the government's April estimate. The 1984/85 harvest was also below normal in quality with a higher portion of the crop falling in the middle grades 4 to 6.

Based on at least adequate rains during April and May 1985, as well as elevated farm prices and more frequent payment, estimates of production for the 1985/86 crop have been raised to a near record 2.17 million bags.

With large carry-in stocks to draw on, Kenyan coffee exports reached 1.69 million bags during the 1984/85. Approximately 350,000 bags were sold to ICO non-member markets. Kenyan officials had anticipated the need to increase non quota market sales even more in 1985/86 in order to hold carryover stocks to manageable levels. This may not be necessary if ICO quotas are suspended.

Despite the lower average quality of the 1984/85 crop, Kenya still has some of the best mild Arabica coffee available for immediate delivery to ICO member country markets. Auction prices have risen dramatically in reaction to reports about the Brazilian drought. By mid-December, auction prices had reached a weighted average selling price equivalent to \$3,650 per ton or \$1.65 per pound with some of the higher grades returning nearly \$2.00 per pound.

Rehabilitation programs financed and administered by the European Community helped Tanzania raise its coffee output in 1984/85 (July/June) to 925,000 bags, 80,000 bags above the previous year. With good weather prevailing throughout the country since April 1985, production for the current year should be up even more at 940,000 bags.

Despite adequate stocks and a critical need for foreign exchange, coffee shipments from Tanzania declined from 909,000 bags in 1983/84 to 870,000 bags in 1984/85. Because of shortages of truck fuel and rail boxcars, movements of coffee to the ports of Tanga and Dar es Salaam are often delayed in interior points for up to several weeks. For this reason, the government has largely limited its exports to ICO markets over the past 2 years. If possible, Tanzania will try to move at least 950,000 bags to its ports for export during 1985/86 in order to earn additional, badly needed foreign exchange.

Although Ugandan coffee stocks on farms and at local cooperatives are believed to total in excess of 4 million bags and a 3-million-bag crop is in prospect for 1985/86 (October/September), coffee shipments from that origin have nearly come to a halt. The National Resistance Army (NRA) still controls the major coffee-producing areas and has effectively cut truck deliveries to Kampala. Only small quantities of Arabica coffee produced along the Kenyan border are moving to Mombasa, Kenya, for export.

The political situation in Uganda also restricts the export movement of coffees from other countries in the region, including Rwanda, Burundi, and Eastern Zaire. With their principal transport route through Uganda cut off, these countries have shipped some coffee through Tanzania to the Port of Tanga. Only limited quantities can be moved this way because of the unavailability of truck and rail transport facilities in Tanzania. Thus, while Uganda and its neighbors to the west would appear to have fairly sizeable quantities of coffee, they cannot move it rapidly enough take full advantage of the current market situation.

Asia

Indonesia, currently the world's third largest coffee producer (after Brazil and Colombia) is expected to harvest a crop of 5.75 million bags this crop year (April/March), up from about 5.40 million bags in 1984/85. The country was the only large-scale Robusta producer not expected to have any difficulty fulfilling its 1985/86 ICO quota on a timely basis. Exports in the first

quarter of the current coffee year were likely to reach 833,000 bags to ICO members and total 2.7 million bags for the entire year with an additional 2.1 million bags to non-member markets. Given a suspension of ICO quotas, the proportion going to non-ICO markets may now fall sharply as discounts are eliminated.

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Table 1

COFFEE, GREEN: TOTAL PRODUCTION IN SPECIFIED COUNTRIES
AVERAGE 1976/77, ANNUAL 1981/82-1985/86
(IN THOUSANDS OF 60 KILO BAGS)

REGION AND COUNTRY	AVERAGE 1976/77-1980/81	1981/82	1982/83	1983/84	1984/85	1985/86
NORTH AMERICA, CENTRAL AMERICA & CARIBBEAN:						
COSTA RICA.....	1,638	1,782	2,300	2,070	2,516	2,013
CUBA.....	315	383	300	385	325	375
DOMINICAN REP.....	918	850	1,100	810	900	820
EL SALVADOR.....	3,019	2,886	3,100	2,600	2,700	2,600
GUATEMALA.....	2,586	2,653	2,530	2,340	2,703	2,530
HAITI.....	516	494	674	630	625	650
HONDURAS.....	1,052	1,200	1,800	1,310	1,500	1,400
JAMAICA.....	22	23	30	25	25	30
MEXICO.....	3,643	3,900	4,530	4,530	4,250	4,480
NICARAGUA.....	955	950	1,257	710	850	830
PANAMA.....	107	119	138	150	201	260
TRINIDAD-TOBAGO.....	44	44	23	30	30	30
UNITED STATES.....	196	211	267	201	279	239
TOTAL, NORTH AMERICA.....	15,011	15,495	18,049	15,791	16,904	16,257
SOUTH AMERICA:						
BOLIVIA.....	124	135	155	150	140	150
BRAZIL.....	18,060	33,000	17,750	30,000	27,000	33,000
COLOMBIA.....	11,832	14,342	13,300	13,000	11,000	12,500
ECUADOR.....	1,518	1,792	1,900	1,380	1,500	1,600
GUYANA.....	20	26	25	25	25	25
PARAGUAY.....	80	229	271	280	240	300
PERU.....	1,112	1,100	1,100	1,270	1,150	1,300
VENEZUELA.....	974	1,107	791	1,025	1,197	1,134
TOTAL SOUTH AMERICA.....	33,720	51,731	35,192	47,130	42,252	50,009
AFRICA:						
ANGOLA.....	678	392	330	260	260	250
BENIN.....	13	37	50	55	50	50
BURUNDI.....	362	730	340	593	460	600
CAMEROON.....	1,566	1,850	1,830	1,000	2,100	1,900
CENT. AF. REP.....	194	284	316	150	250	300
CONGO.....	54	36	32	35	25	40
EQUAT. GUINEA.....	11	20	20	20	20	20
ETHIOPIA.....	3,104	3,212	3,670	3,990	2,600	3,150
GABON.....	6	15	29	35	40	40
GHANA.....	39	35	23	20	15	20
GUINEA.....	85	64	65	50	40	50
IVORY COAST.....	4,559	4,160	4,510	1,420	4,900	5,000
KENYA.....	1,515	1,489	1,541	2,232	1,525	2,170
LIBERIA.....	151	165	159	80	160	165
MADAGASCAR.....	1,111	1,305	1,000	1,100	1,200	1,250
MALAWI.....	4	10	16	27	35	35
NIGERIA.....	50	52	45	42	48	50
RWANDA.....	442	502	377	536	542	550
SENEGAL.....	159	176	233	180	185	185
TANZANIA.....	863	959	1,033	843	925	940
TOGO.....	142	225	284	275	215	275
UGANDA.....	2,142	2,885	3,000	3,200	3,300	3,000
ZAMBIA.....	1,336	1,425	1,354	1,350	1,503	1,540
ZIMBABWE.....	77	82	117	147	180	185
TOTAL AFRICA.....	18,663	20,110	20,374	17,640	20,578	21,765
ASIA:						
INDIA.....	2,020	2,540	2,170	1,667	2,917	2,334
INDONESIA.....	4,465	5,785	4,750	5,500	5,400	5,750
MALAYSIA.....	114	141	145	154	160	170
PHILIPPINES.....	711	1,067	1,000	779	857	943
THAILAND.....	140	277	327	335	420	500
YEMEN.....	51	58	57	50	53	53
TOTAL ASIA.....	7,501	9,868	8,449	8,485	9,807	9,750
OCEANIA:						
NEW CALEDONIA.....	9	8	6	4	6	6
PAPUA-N. GUINEA.....	786	917	648	939	750	800
TOTAL OCEANIA.....	795	925	654	943	756	806
WORLD TOTAL.....	75,757	98,189	82,778	90,049	90,357	98,647

1/ Coffee marketing year begins about October in some countries and April or July in others. 2/ 132.276 pounds.

NOTE: Production estimates for some countries include cross-border movements.

SOURCE: Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

Table 2

COFFEE GREEN: EXPORTABLE PRODUCTION IN SPECIFIED COUNTRIES
AVERAGE 1976/77, ANNUAL 1981/82-1985/86
(IN THOUSANDS OF 60 KILO BAGS)

REGION AND COUNTRY	AVERAGE 1976/77-1980/81	1981/82	1982/83	1983/84	1984/85	1985/86
NORTH AMERICA, CENTRAL AMERICA & CARIBBEAN:						
COSTA RICA.....	1,437	1,539	2,077	1,837	2,281	1,778
CUBA.....	---	---	---	35	75	50
DOMINICAN REPUBLIC.....	644	555	800	508	595	513
EL SALVADOR.....	2,825	2,686	2,900	2,400	2,500	2,400
GUATEMALA.....	2,277	2,328	2,195	2,000	2,373	2,210
HAITI.....	298	265	434	390	375	400
HONDURAS.....	943	1,080	1,666	1,155	1,340	1,234
JAMAICA.....	11	11	18	14	13	18
MEXICO.....	2,294	2,450	2,830	3,030	2,530	2,710
NICARAGUA.....	873	855	1,157	610	770	745
PANAMA.....	41	51	72	82	131	187
TRINIDAD-TOBAGO.....	28	27	3	14	13	14
UNITED STATES.....	---	---	---	---	---	---
TOTAL NORTH AMERICA.....	11,671	11,847	14,152	12,075	12,946	12,259
SOUTH AMERICA:						
BOLIVIA.....	92	100	119	115	103	112
BRAZIL.....	10,260	24,500	9,750	21,500	18,500	24,000
COLOMBIA.....	10,201	12,492	11,445	11,140	9,135	10,630
ECUADOR.....	1,317	1,562	1,560	1,135	1,240	1,329
GUYANA.....	1	3	3	3	3	3
PARAGUAY.....	59	207	248	257	217	275
PERU.....	864	842	840	1,045	940	1,100
VENEZUELA.....	123	81	---	182	270	134
TOTAL SOUTH AMERICA.....	22,917	39,787	23,965	35,377	30,408	37,583
AFRICA:						
ANGOLA.....	633	350	287	216	215	204
BENIN.....	12	36	49	54	49	49
BURUNDI.....	361	729	337	592	459	599
CAMEROON.....	1,537	1,815	1,785	945	2,045	1,845
CENT. AF. REP.....	180	266	298	137	235	283
CONGO.....	53	35	31	34	24	39
EQUAT. GUINEA.....	---	5	5	10	10	10
ETHIOPIA.....	1,411	1,596	2,108	2,355	700	1,300
GABON.....	5	14	28	34	39	39
GHANA.....	29	26	15	12	7	13
GUINEA.....	79	58	59	44	34	44
IVORY COAST.....	4,496	4,095	4,445	1,355	4,835	4,930
KENYA.....	1,462	1,434	1,501	2,186	1,460	2,105
LIBERIA.....	145	164	158	79	158	163
MADAGASCAR.....	962	1,132	823	920	1,017	1,061
MALAWI.....	4	10	16	27	35	35
NIGERIA.....	---	---	---	---	---	---
RWANDA.....	440	500	376	535	541	549
SIERRA LEONE.....	154	171	228	174	179	179
TANZANIA.....	843	939	1,013	823	905	920
TOGO.....	141	224	283	274	214	274
UGANDA.....	2,103	2,840	2,954	3,153	3,252	2,950
ZAIRE.....	1,166	1,240	1,159	1,096	1,253	1,275
ZIMBABWE.....	69	72	107	139	172	177
TOTAL AFRICA.....	16,285	17,751	18,065	15,194	17,838	19,043
ASIA:						
INDIA.....	1,161	1,599	1,167	698	1,917	1,284
INDONESIA.....	3,389	4,630	3,636	4,375	4,440	4,650
MALAYSIA 3/.....	5	---	---	---	---	---
PHILIPPINES.....	345	572	490	229	472	543
THAILAND.....	36	151	188	192	275	350
VIETNAM.....	33	25	25	25	25	25
YEMEN, ARAB REP.....	41	48	47	40	43	43
TOTAL ASIA.....	5,010	7,025	5,553	5,559	7,172	6,895
OCEANIA:						
NEW CALEDONIA.....	---	---	---	---	---	---
PAPUA NEW GUINEA.....	778	901	631	922	733	783
TOTAL OCEANIA.....	778	901	631	922	733	783
WORLD TOTAL.....	56,661	77,311	62,366	69,127	69,097	76,563

1/ Coffee marketing year begins about October in some countries and April or July in others. Exportable production represents total harvested production minus estimated domestic consumption. 2/ 132,276 counts. 3/ Coffee producing countries which import more coffee than they export are not regarded as having exportable production.

NOTE: Production estimates for some countries include cross-border movements.

SOURCE: Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of U.S. Agricultural Attaches and Foreign Service Officers, results of office research, and related information.

Table 3

WORLD COFFEE SUPPLY AND DISTRIBUTION 1960/61-1985/86
(IN THOUSANDS OF 60 KILOGRAM BAGS)

CROP YEAR	BEGINNING STOCKS	PRO- DUCTION	IMPORTS	TOTAL S/D	DOMESTIC USE	RFAN EXPORTS	RSTO/GRND EXPORTS	SOLUBLE EXPORTS	TOTAL EXPORTS	ENDING STOCKS
1960/61	58,775	65,369	315	124,459	16,373	42,842	63	92	42,998	65,089
1961/62	65,089	75,935	279	141,303	21,071	45,956	56	135	46,147	74,085
1962/63	74,085	67,780	256	142,121	14,690	46,776	42	123	46,941	80,490
1963/64	80,490	65,320	183	145,993	17,614	50,877	69	118	51,065	77,314
1964/65	77,314	52,641	177	130,132	16,741	41,761	58	78	41,897	71,494
1965/66	71,494	82,137	249	153,880	17,808	49,661	37	257	49,955	86,117
1966/67	86,117	63,333	279	149,729	19,252	48,316	26	564	48,906	81,572
1967/68	81,572	71,112	273	152,957	18,067	54,624	55	741	55,421	79,470
1968/69	79,470	63,226	228	142,924	19,634	52,506	76	963	53,545	69,746
1969/70	69,746	69,592	267	139,605	18,887	53,857	83	1,161	55,101	65,617
1970/71	65,617	59,378	505	125,500	19,368	50,555	112	1,253	51,920	54,213
1971/72	54,213	73,280	524	128,017	19,053	56,625	249	1,589	58,463	50,500
1972/73	50,500	77,237	497	128,234	17,449	59,067	346	2,040	61,453	49,332
1973/74	49,332	65,710	563	115,605	19,011	58,316	192	2,149	60,657	35,936
1974/75	35,936	82,693	464	119,093	19,164	53,252	235	1,985	55,472	44,457
1975/76	44,457	73,062	410	117,929	19,177	57,117	371	2,164	59,653	39,100
1976/77	39,100	61,067	529	100,696	18,400	54,157	351	2,176	56,684	25,612
1977/78	25,612	70,696	613	96,921	18,764	47,704	183	897	48,784	29,373
1978/79	29,373	78,978	729	109,080	19,466	61,906	222	2,433	64,561	25,053
1979/80	25,053	81,789	690	107,532	19,973	59,244	217	2,573	62,034	25,525
1980/81	25,525	86,261	653	112,439	20,595	56,835	166	2,821	59,822	32,022
1981/82	32,022	98,189	769	130,980	21,232	60,594	223	4,059	64,866	44,882
1982/83	44,882	82,778	790	128,450	20,686	62,101	202	2,488	64,791	42,973
1983/84	42,973	90,049	779	133,801	21,228	65,188	337	2,772	68,297	44,276
1984/85	44,276	90,357	614	135,247	21,500	67,824	300	3,310	71,434	42,313
1985/86	42,313	98,647	611	141,571	22,328	67,562	324	2,873	70,759	48,484

Horticultural and Tropical Products Division
Commodity Program FAS/USDA

REPORT DATE 12/10/85

Table 4

WORLD: COFFEE SUPPLY & DISTRIBUTION 1985/86
(in thousands of 60 kilogram bags)

COUNTRY	BEGINNING STOCKS	PRODUCTION	IMPORTS	TOTAL S&D	DOMESTIC USE	EXPORTS	ENDING STOCKS
Costa Rica.....	1,110	2,013	---	3,123	235	1,900	988
Cuba.....	---	375	200	575	325	250	---
Dominican Republic.....	590	820	---	1,410	307	550	553
El Salvador.....	1,335	2,600	---	3,935	200	2,680	1,055
Guatemala.....	170	2,530	---	2,700	320	2,180	200
Haiti.....	25	650	---	675	250	400	25
Honduras.....	931	1,400	---	2,331	166	1,380	785
Jamaica.....	---	30	2	32	12	20	---
Mexico.....	905	4,480	---	5,385	1,770	3,000	615
Nicaragua.....	35	830	---	865	85	725	55
Panama.....	31	260	---	291	73	120	98
Trinidad & Tobago.....	7	30	6	43	22	15	6
United States.....	120	239	65	424	320	---	104
Total.....	5,259	16,257	273	21,789	4,085	13,220	4,484
Bolivia.....	32	150	---	182	38	120	24
Brazil.....	7,714	33,000	---	40,714	9,000	18,500	13,214
Colombia.....	12,373	12,500	---	24,873	1,870	10,100	12,903
Ecuador.....	633	1,600	---	2,233	271	1,500	462
Guyana.....	---	25	---	25	22	3	---
Paraguay.....	246	300	---	546	25	260	261
Peru.....	540	1,300	---	1,840	200	950	690
Venezuela.....	475	1,134	---	1,609	1,000	351	258
Total.....	22,013	50,009	---	72,022	12,426	31,784	27,812
Angola.....	688	250	---	938	46	300	592
Benin.....	---	50	---	50	1	49	---
Burundi.....	137	600	---	737	1	570	166
Cameroon.....	627	1,900	10	2,537	55	1,850	632
Central African Republic.....	6	300	---	306	17	280	9
Congo.....	7	40	---	47	1	37	9
Equatorial Guinea.....	---	20	---	20	10	10	---
Ethiopia.....	2,177	3,150	---	5,327	1,850	1,650	1,827
Gabon.....	---	40	---	40	1	39	---
Ghana.....	17	20	---	37	7	20	10
Guinea.....	17	50	---	67	6	50	11
Ivory Coast.....	1,059	5,000	---	6,059	70	4,400	1,589
Kenya.....	1,250	2,170	---	3,420	65	1,790	1,565
Liberia.....	22	165	5	192	7	161	24
Madagascar.....	791	1,250	---	2,041	189	900	952
Malawi.....	2	35	---	37	---	30	7
Nigeria.....	16	50	90	156	132	12	12
Rwanda.....	77	550	---	627	1	500	126
Sierra Leone.....	5	185	---	190	6	180	4
Tanzania.....	403	940	---	1,343	20	950	373
Togo.....	14	275	---	289	1	280	8
Uganda.....	4,158	3,000	---	7,158	50	2,300	4,808
Zaire.....	874	1,540	---	2,414	265	1,240	909
Zimbabwe.....	49	185	---	234	8	172	54
Total.....	12,396	21,765	105	34,266	2,809	17,770	13,687
India.....	1,143	2,334	---	3,477	1,050	1,500	927
Indonesia.....	1,020	5,750	---	6,770	1,100	4,800	870
Malaysia.....	18	170	227	415	245	138	32
Philippines.....	413	943	---	1,356	400	509	447
Thailand.....	22	500	3	525	150	330	45
Vietnam.....	---	60	---	60	35	25	---
Yemen Arab Republic.....	---	53	---	53	10	43	---
Total.....	2,616	9,810	230	12,656	2,990	7,345	2,321
New Caledonia.....	---	6	---	6	6	---	---
Papua New Guinea.....	34	800	3	837	17	580	240
Total.....	34	806	3	843	23	580	240
World Total.....	42,318	98,647	611	141,576	22,333	70,699	48,544

Table 5
EXPORTS OF COFFEE FROM BRAZIL 1/
- in bags of 60 kilos -

Month	1981	1982	1983	1984	1985
January	1,414,558	1,251,233	1,262,291	1,152,757	1,012,304
February	1,248,427	1,450,639	1,356,887	1,258,453	1,402,328
March	1,102,041	1,540,253	1,521,370	1,590,133	1,941,838
April	1,543,747	1,430,812	1,487,522	1,489,488	1,734,189
May	1,239,767	1,341,852	1,496,893	1,858,001	1,900,765
June	1,054,900	1,255,521	1,333,654	2,137,467	1,590,612
July	1,117,612	1,211,466	1,334,232	1,824,428	1,537,079
August	1,349,237	1,393,865	1,493,977	1,796,198	1,228,984
September	1,290,175	1,498,436	1,483,796	1,951,480	1,430,403
October	1,577,334	1,443,494	1,512,264	1,282,131	1,592,665 2/
November	1,550,525	1,326,099	1,435,342	1,372,151	
December	1,273,376	1,919,420	2,102,107	1,888,557	
Total Year	15,761,704	17,063,095	17,820,335	19,601,244	
Jan./Oct.	12,937,798	13,817,571	14,282,877	16,340,536	15,371,167 2/

Notes: 1/ Includes exports of soluble coffee (green equivalent). 2/ Preliminary.

Sources: Brazilian Coffee Institute, Revista do Comercio de Cafe (Rio de Janeiro), and International Coffee Organization.

January 1986

Horticultural and Tropical Products Division
Commodity Program FAS/USDA

Table 6

COLOMBIA: COFFEE EXPORTS BY DESTINATION
1980/81 - 1984/85*
(in thousands of 60-kilo bags)

COUNTRIES	1980/81	1981/82	1982/83	1983/84	1984/85
MEMBERS OF THE ICO					
AMERICA					
United States	1,993	1,622	1,763	2,212	2,220
Canada	133	147	178	194	190
Others	1	1	1	1	—
Total	2,127	1,770	1,942	2,407	2,410
EUROPE					
West Germany	2,961	3,014	3,050	2,937	2,765
Netherlands	768	721	656	665	594
Sweden	452	450	432	490	422
Spain	289	399	363	377	338
Finland	304	310	301	314	334
United Kingdom	36	84	142	243	308
Belgium/Luxembourg	87	126	277	341	264
Norway	152	118	145	166	153
Italy	95	129	156	141	153
France	167	194	207	170	152
Denmark	158	139	122	111	122
Austria	141	103	107	89	94
Switzerland	38	49	71	42	88
Greece	1	—	—	—	1
Yugoslavia	103	—	—	—	—
Total	5,752	5,836	6,029	6,086	5,783
OTHER COUNTRIES					
Japan	408	437	490	631	527
Australia	2	4	4	5	5
Other	5	—	—	1	1
Total Other Countries	415	441	494	637	533
Total ICO Members	8,294	8,047	8,465	9,130	8,731
NON-MEMBERS OF THE ICO					
AMERICA					
Argentina	224	206	181	304	123
Netherlands Antilles	7	4	7	4	5
Others	10	4	2	4	6
Total Others	241	214	190	312	134
EUROPE					
Hungary	5	12	15	65	83
East Germany	178	190	167	—	67
Czechoslovakia	34	47	52	44	61
Romania	17	133	178	—	50
USCR	17	33	33	67	—
Poland	34	177	1	—	—
Other	4	1	2	3	10
Total Europe	289	593	448	179	271
OTHER COUNTRIES					
Algeria	175	88	50	283	383
South Korea	9	31	17	58	90
Others	23	17	4	4	39
Total Others	207	136	71	345	512
Total Non-ICO Members	737	943	709	836	917
World Total	9,031	8,990	9,174	9,966	9,648

(*) Preliminary

Source: Coffee Federation of Colombia

FAS/HTPD
December 26, 1985

Table 7

COFFEE YEAR 1985/86

INITIAL ANNUAL AND QUARTERLY QUOTAS

(60 kilo bags)

Exporting Member	Quarterly quotas				
	Initial annual quota	Oct.-Dec. 1985	Jan.-March 1986	April-June 1986	July-Sept. 1986
	(1)	(2)	(3)	(4)	(5)
TOTAL	58 000 000	14 499 992	14 500 006	14 499 992	14 500 010
A. Sub-total: Members entitled to a basic quota	55 073 336	13 768 330	13 768 338	13 768 330	13 768 338
Colombian Milder	10 718 248	2 679 562	2 679 563	2 679 562	2 679 561
Colombia	8 670 278	2 167 569	2 167 570	2 167 569	2 167 570
Kenya	1 322 311	330 578	330 578	330 578	330 577
Tanzania	725 659	181 415	181 415	181 415	181 414
Other Milder	12 579 079	3 144 769	3 144 771	3 144 769	3 144 770
Costa Rica	1 195 303	298 826	298 826	298 826	298 825
Dominican Republic 1/	505 273	151 582	151 582	101 054	101 055
Ecuador	1 155 679	288 920	288 920	288 920	288 919
El Salvador	2 386 611	596 653	596 653	596 653	596 652
Guatemala	1 849 086	462 271	462 272	462 271	462 272
Honduras	840 537	210 134	210 134	210 134	210 135
India	686 156	171 539	171 539	171 539	171 539
Mexico	1 945 840	486 460	486 460	486 460	486 460
Nicaragua	682 657	170 664	170 664	170 664	170 665
Papua New Guinea 2/	633 154	133 024	133 025	183 552	183 553
Peru	698 783	174 696	174 696	174 696	174 695
Brazilian and Other Arabicas	17 843 954	4 460 988	4 460 988	4 460 988	4 460 990
Brazil	16 421 389	4 105 347	4 105 347	4 105 347	4 105 348
Ethiopia	1 422 565	355 641	355 641	355 641	355 642
Robustas	13 932 055	3 483 011	3 483 016	3 483 011	3 483 017
Angola	300 000	75 000	75 000	75 000	75 000
Indonesia	2 449 238	612 309	612 310	612 309	612 310
OAMCAF 3/	(7 085 507)	(1 771 375)	(1 771 378)	(1 771 375)	(1 771 379)
Benin	54 476	13 619	13 619	13 619	13 619
Cameroon	1 456 693	364 173	364 173	364 173	364 174
Central African Republic	275 834	68 958	68 959	68 958	68 959
Congo	41 412	10 353	10 353	10 353	10 353
Gabon	41 412	10 353	10 353	10 353	10 353
Ivory Coast	4 128 192	1 032 048	1 032 048	1 032 048	1 032 048
Madagascar	784 786	196 196	196 197	196 196	196 197
Togo	302 702	75 675	75 676	75 675	75 676
Philippines	478 397	119 599	119 599	119 599	119 600
Uganda	2 465 110	616 277	616 278	616 277	616 278
Zaire	1 153 803	288 451	288 451	288 451	288 450
B. Sub-total: Members exempt from basic quotas (other than OAMCAF)	2 926 664	731 662	731 668	731 662	731 672
Sub-total: Members exporting 100 000 bags or less (without OAMCAF)	568 355	142 087	142 090	142 087	142 091
Equatorial Guinea	20 706	5 176	5 177	5 176	5 177
Ghana	52 012	13 003	13 003	13 003	13 003
Jamaica	25 883	6 471	6 471	6 471	6 470
Malawi	24 157	6 039	6 039	6 039	6 040
Nigeria	75 675	18 919	18 919	18 919	18 918
Panama	78 034	19 508	19 509	19 508	19 509
Sri Lanka	65 709	16 427	16 427	16 427	16 428
Trinidad and Tobago	35 250	8 812	8 813	8 812	8 813
Venezuela	92 824	23 206	23 206	23 206	23 206
Zambia	7 500	1 875	1 875	1 875	1 875
Zimbabwe	90 605	22 651	22 651	22 651	22 652
Sub-total: Members exporting more than 100 000 bags (without OAMCAF)	2 358 309	589 575	589 578	589 575	589 581
Bolivia	113 390	28 347	28 348	28 347	28 348
Burundi	470 000	117 500	117 500	117 500	117 500
Cuba	170 000	42 500	42 500	42 500	42 500
Guinea	103 530	25 882	25 883	25 882	25 883
Haiti	413 874	103 468	103 469	103 468	103 469
Liberia	134 589	33 647	33 647	33 647	33 648
Paraguay	122 404	30 601	30 601	30 601	30 601
Rwanda	470 000	117 500	117 500	117 500	117 500
Sierra Leone	242 309	60 577	60 577	60 577	60 578
Thailand	118 213	29 553	29 553	29 553	29 554

Note: The quota shown for each quarter represents 25 percent of the corresponding initial annual quota of each Member shown in column (4) of Tables 1 and 2 except Dominican Republic and Papua New Guinea. Members exporting 100,000 bags or less, including Members of OAMCAF, are not subject to quarterly quotas: the quarterly quotas for these Members are given for purposes of illustration only.

- 1/ The quarterly quotas represent 30 percent in the first two quarters and 20 percent in the last two quarters of the initial annual quota as requested by the Member (see document EB-2624/85)
- 2/ Reflects amounts of the quarterly quota of the Member calculated at 25 percent for each quarter and adjusted for the amount of excess or reduction of the quarterly quotas as shown in the table for Dominican Republic over what they would have been had its quarterly quota been 25 percent of its annual quota in each quarter (see document EB-2617/85)
- 3/ Corresponds to column (4) of Table 2 plus quotas of Members of OAMCAF exempt from basic quotas shown in column (4) of Table 1

Table 8

ALL EXPORTING MEMBERS

AMOUNT OF COFFEE AVAILABLE FOR EXPORT TO MEMBERS ADDITIONAL TO THE INITIAL QUOTA
BY QUARTER, COFFEE YEAR 1985/86

(60 kilo bags)

Exporting Member	Current annual quota as at 19 November 1985	Additional amounts available for export to Members				
		Coffee year	Oct.-Dec 1985	Jan.-March 1986	April-June 1986	July-Sept. 1986
	(1)	(2)	(3)	(4)	(5)	(6)
TOTAL	59 000 000					
A. Sub-total: Members entitled to a basic quota	56 073 336					
Colombian Milds	10 917 648	4 102 515	1 000 000			
Colombia	8 831 578	4 000 000	1 000 000	1 000 000	1 000 000	1 000 000
Kenya	1 346 911	600 000	0	200 000	200 000	200 000
Tanzania	739 159	102 515	0	1/	1/	1/
Other Milds	12 810 679					
Costa Rica	1 216 703	600 000	150 000	150 000	150 000	150 000
Dominican Republic	514 673	125 000				
Ecuador	1 177 179					
El Salvador	2 431 011	1 325 344	331 336	331 336	331 336	331 336
Guatemala	1 883 486	900 000	225 000	225 000	225 000	225 000
Honduras	855 337	650 000	162 500	325 000	100 000	62 500
India	698 456	300 000	30 000	90 000	90 000	90 000
Mexico	1 982 040	880 000	220 000	220 000	220 000	220 000
Nicaragua	695 357					
Papua New Guinea	644 654	366 847	66 976	66 976	116 448	116 447
Peru	711 783	241 217	60 304	60 304	60 304	60 305
Brazilian and Other Arabicas	18 175 454					
Brazil	16 726 889 2/					
Ethiopia	1 448 565					
Robustas	14 169 555					
Angola	300 000	0	0	0	0	0
Indonesia	2 494 338	1 550 762	387 690	387 691	387 690	387 691
OAMCAP	(7 204 007)					
Benin	54 476					
Cameroon	1 483 793					
Central African Republic	275 834					
Congo	41 412					
Gabon	41 412					
Ivory Coast	4 204 992					
Madagascar	799 386					
Togo	302 702					
Philippines	487 297 1/					
Uganda	2 509 110					
Zaire	1 174 803					
B. Sub-total: Members exempt from basic quotas	2 926 664					
Arabicas	2 078 671					
Bolivia	113 390	16 612	1 653	1 653	6 653	6 653
Burundi	470 000	117 500				
Cuba	170 000	0	0	0	0	0
Haiti	413 874					
Jamaica	25 883					
Malawi	24 157	50 843				
Panama	78 034	238 393	160 427			
Paraguay	122 404 2/					
Rwanda	470 000	130 000	0	30 000	50 000	50 000
Venezuela	92 824					
Zambia	7 500 1/					
Zimbabwe	90 605 1/	122 045				
Robustas	847 993					
Equatorial Guinea	20 706					
Ghana	52 012					
Guinea	103 530					
Liberia	134 589 1/					
Nigeria	75 675					
Sierra Leone	242 309					
Sri Lanka	65 709	53 834	8 333	16 667	14 167	14 667
Thailand	118 213	187 464	33 047	154 417		
Trinidad and Tobago	35 250					

Note: The information given in columns (2) to (6) of this table is based on replies received to telex messages sent to exporting Members in the first week of November 1985 and reflect the situation before the increase of one million bags in annual quota applied on 19 November 1985

A blank denotes that information was not provided by the Member

1/ Under correspondence with the Member

2/ Member has informed the Organization that it is in a position to export to Member countries an amount of coffee in excess of the current annual quota

Table 9
COFFEE YEAR 1985/86
EXPORTING MEMBERS
REVISED ANNUAL AND QUARTERLY QUOTAS
AS AT 12 DECEMBER 1985
(60 kilo bags)

Exporting Member	Revised annual quota	Revised quarterly quotas			
		Oct.-Dec. 1985 1/	Jan.-March 1986	April-June 1986	July-Sept. 1986
	(1)	(2)	(3)	(4)	(5)
TOTAL	63 030 000	20 299 321	14 516 831	14 285 711	13 928 137
A. Sub-total: Members entitled to a basic quota	60 073 336	19 459 687	13 810 903	13 564 786	13 237 960
Colombian Milda	11 715 248	3 992 803	2 531 824	2 539 180	2 651 441
Colombia	9 476 778	3 174 069	2 053 925	2 081 214	2 167 570
Kenya	1 445 311	569 819	296 484	276 551	302 457
Tanzania	793 159	248 915	181 415	181 415	181 414
Other Milda	13 737 079	4 995 806	3 013 982	2 963 195	2 764 096
Costa Rica	1 302 303	443 560	277 385	282 533	298 825
Dominican Republic	552 273	218 582	140 217	92 419	101 055
Ecuador	1 263 179	396 420	288 920	288 920	288 919
El Salvador	2 608 611	1 028 454	596 653	596 653	386 851
Guatemala	2 021 086	796 820	439 543	445 000	339 723
Honduras	914 537	358 568	184 192	176 031	195 746
India	747 656	249 706	171 539	163 205	163 206
Mexico	2 126 840	838 514	399 833	420 635	467 858
Nicaragua	746 157	159 574 2/	207 979	207 979	170 665
Papua New Guinea	690 654	204 524	133 025	176 552	176 553
Peru	763 783	301 124	174 696	113 268	174 695
Brazilian and Other Arabicas	19 501 454	6 139 513	4 436 147	4 464 804	4 460 990
Brazil	17 948 889	5 842 847	3 986 019	4 014 675	4 105 348
Ethiopia	1 552 565	296 666	450 128	450 129	355 642
Robustas	15 119 555	4 331 565	3 828 950	3 597 607	3 361 433
Angola	300 000	105 000	75 000	60 000	60 000
Indonesia	2 674 738	837 809	612 310	612 309	612 310
OAMCAF	(7 678 007)	(2 009 599)	(2 125 654)	(1 771 375)	(1 771 379)
Benin	54 476	10 895	16 343	13 619	13 619
Cameroon	1 592 193	426 838	437 008	364 173	364 174
Central African Republic	275 834	55 167	82 750	68 958	68 959
Congo	41 412	8 282	12 424	10 353	10 353
Gabon	41 412	8 282	12 424	10 353	10 353
Ivory Coast	4 512 192	1 209 638	1 238 458	1 032 048	1 032 048
Madagascar	857 786	229 957	235 436	196 196	196 197
Togo	302 702	60 540	90 811	75 675	75 676
Philippines	522 897	206 154	106 007	100 203	110 533
Uganda	2 685 110	677 822	616 278	818 759	572 251
Zaire	1 258 803	495 181	293 701	234 961	234 960
B. Sub-total: Members exempt from basic quotas (other than OAMCAF)	2 956 664	839 634	705 928	720 925	690 177
Sub-total: Members exporting 100 000 bags or less (without OAMCAF)	572 254	283 785	96 157	96 157	96 155
Equatorial Guinea	20 706	4 000	5 569	5 569	5 568
Ghana	52 012	5 000	15 671	15 671	15 670
Jamaica	25 883	15 000	3 628	3 628	3 627
Malawi	24 452	24 452	0	0	0
Nigeria	75 675	5 000	23 558	23 558	23 559
Panama	78 866	54 832	8 011	8 011	8 012
Sri Lanka	66 390	25 681	13 570	13 570	13 569
Trinidad and Tobago	35 250	5 000	10 083	10 083	10 084
Venezuela	93 837	52 137	13 900	13 900	13 900
Zambia	7 592	1 092	2 167	2 167	2 166
Zimbabwe	91 591	91 591	0	0	0
Sub-total: Members exporting more than 100 000 bags (without OAMCAF)	2 375 538	546 977	609 771	624 768	594 022
Bolivia	114 777	29 734	28 348	28 347	28 348
Burundi	475 749	138 999	117 500	117 500	101 750
Cuba	170 000	42 500	42 500	42 500	42 500
Guinea	103 530	10 882 2/	25 883	40 882	25 883
Haiti	413 874	103 468	103 468	103 468	103 469
Liberia	136 235	35 293	33 647	33 647	33 648
Paraguay	123 779	31 976	30 601	30 601	30 601
Rwanda	475 749	123 249	117 500	117 500	117 500
Sierra Leone	242 309	0 2/	80 770	80 770	80 769
Thailand	119 536	30 876	29 553	29 553	29 554
Unallocated	8 872	8 872	0	0	0

Note: Members exporting 100,000 bags or less are not subject to quarterly quotas: the quarterly quotas shown for these Members for the quarter October-December 1985 refer to the amount of coffee export stamps released to them.
The balance of the annual quota has been divided equally over the remaining three quarters

- 1/ The quotas for the quarter include:
- the share of exporting Members entitled to a basic quota, except Angola, in the increases in annual quotas applied on 19 November 1985 (1.0 million bags), 11 December 1985 (1.0 million bags) and 12 December 1985 (3.0 million bags)
 - for those Members subject to quarterly quotas which so requested, quotas up to 35 percent of their annual quota as at 28 November 1985 through transfers from the third and fourth quarters
 - the share of exporting Members exempt from basic quotas in the redistribution of the shortfall of 30,000 bags declared by Haiti (see columns (2) and (3) of Table 3)
- 2/ Reflects a transfer of quota from the quarter October-December 1985 to subsequent quarters made at the request of the Member

Table 10
EXPORTS BY ICO EXPORTING MEMBERS TO ALL DESTINATIONS
OCTOBER-SEPTEMBER 1979/80 to 1984/85
(- in thousands of 60-kilo bags -)

Exporting Member	1979/80	1980/81	1981/82	1982/83	1983/84	1984/85*
TOTAL	60,494	59,439	63,653	65,777	70,046	68,879
<u>Sub-total: Members entitled to basic quota</u>	<u>58,171</u>	<u>57,100</u>	<u>61,124</u>	<u>62,759</u>	<u>67,223</u>	<u>65,679</u>
<u>Colombian Milds</u>	<u>13,577</u>	<u>11,290</u>	<u>11,673</u>	<u>11,478</u>	<u>12,350</u>	<u>11,975</u>
Colombia	11,540	9,066	8,987	9,174	9,969	9,641
Kenya	1,366	1,212	1,703	1,427	1,516	1,604
Tanzania	671	1,012	984	877	965	730
<u>Other Milds</u>	<u>14,829</u>	<u>14,255</u>	<u>14,736</u>	<u>16,740</u>	<u>16,441</u>	<u>17,507</u>
<u>Costa Rica</u>	<u>1,241</u>	<u>1,589</u>	<u>1,556</u>	<u>1,735</u>	<u>1,782</u>	<u>2,089</u>
Dominican Rep.	676	509	634	489	533	544
Ecuador	986	1,213	1,369	1,541	1,382	1,474
El Salvador	2,925	2,010	2,165	2,706	2,908	2,461
Guatemala	2,012	1,919	2,431	2,003	1,979	3,116
Honduras	980	1,034	911	1,240	1,046	1,284
India	1,152	1,656	1,508	1,147	1,117	1,282
Mexico	2,290	1,952	1,846	3,109	2,904	3,007 1/
Nicaragua	837	833	826	1,136	847	663
Papua New Guinea	836	753	740	769	953	657
Peru	893	787	750	864	989	931
<u>Brazilian & Other Arabicas</u>	<u>15,500</u>	<u>17,316</u>	<u>18,130</u>	<u>18,965</u>	<u>21,735</u>	<u>19,486</u>
<u>Brazil</u>	<u>14,192</u>	<u>15,851</u>	<u>16,802</u>	<u>17,452</u>	<u>20,103</u>	<u>18,337</u>
Ethiopia	1,308	1,465	1,328	1,513	1,632	1,149
<u>Robustas</u>	<u>14,264</u>	<u>14,238</u>	<u>16,585</u>	<u>15,577</u>	<u>16,696</u>	<u>16,711</u>
<u>Angola</u>	<u>891</u>	<u>693</u>	<u>815</u>	<u>472</u>	<u>416</u>	<u>310</u>
Indonesia	3,686	3,450	3,538	3,930	4,662	5,036
<u>OAMCAF</u>	<u>(6,304)</u>	<u>(6,800)</u>	<u>(7,902)</u>	<u>(7,397)</u>	<u>(7,415)</u>	<u>(7,220)</u>
Benin	1	35	36	42	55	56
Cameroon	1,600	1,573	1,588	1,638	1,589	1,493
Central African Rep.	167	209	253	264	267	282
Congo	46	42	40	40	40	42
Gabon	10	14	14	29	40	38 1/
Ivory Coast	3,230	3,650	4,794	4,182	4,255	4,282
Madagascar	1,101	1,068	921	913	876	783
Toogo	149	209	256	289	293	245
Philippines	294	295	401	474	494	480
Uganda	2,220	1,973	2,781	2,195	2,520	2,499
Zaire	869	1,028	1,147	1,110	1,190	1,166
<u>Sub-total: Members exempt from basic quota</u>	<u>2,323</u>	<u>2,339</u>	<u>2,529</u>	<u>3,018</u>	<u>2,824</u>	<u>3,200</u>
<u>Arabicas</u>	<u>1,793</u>	<u>1,846</u>	<u>1,940</u>	<u>2,218</u>	<u>2,260</u>	<u>2,368</u>
Bolivia	86	108	116	120	110	120
Burundi	346	405	435	446	531	537
Cuba	144	201	223	263	178	200
Haiti	411	248	350	410	397	313
Jamaica	17	13	19	21	23	14
Malawi	4	13	16	19	24	44
Panama	53	66	71	76	80	99
Paraguay	60	188	186	228	160	200
Rwanda	560	487	426	502	531	537
Venezuela	41	26	18	22	97	108
Zambia	0	0	0	0	0	6
Zimbabwe	72	92	80	111	129	189
<u>Robustas</u>	<u>531</u>	<u>493</u>	<u>589</u>	<u>799</u>	<u>564</u>	<u>832</u>
<u>Equatorial Guinea</u>					<u>21</u>	<u>13 1/</u>
Ghana	15	31	20	9	12	6
Guinea	61	26	19	65	21	0
Liberia	170	145	156	151	95	156
Nigeria	12	3	51	42	38	17
Sierra Leone	172	155	153	233	179	171
Sri Lanka	24	9	59	72	66	75
Thailand	53	90	95	205	128	377
Trinidad & Tobago	25	33	37	22	4	18

Notes: A blank denotes that the information was not provided by the Member. Due to rounding the totals may not always reflect the sum of the relevant components. *Preliminary.

1/ Includes estimates for September 1985. Source: ICO Doc. 2654/85, November 20, 1985.

January 1986

Table 11

1985 100 COMPOSITE INDICATOR PRICE (1979 AGREEMENT)
(U.S. CENTS PER POUND EQUIVALENT)

Date	Daily							15-Day Moving Average						
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Day	July	Aug.	Sept.	Oct.	Nov.	Dec	
1.....	127.74	118.47	---	119.02	147.30	---	1.....	130.53	117.98	---	118.91	130.33	---	
2.....	126.38	118.96	---	120.23	---	150.73	2.....	130.16	117.79	---	119.10	---	141.39	
3.....	125.10	---	119.43	120.20	---	151.21	3.....	129.65	---	120.68	119.29	---	142.18	
4.....	---	---	118.64	120.32	142.42	150.63	4.....	---	---	120.63	119.50	131.73	142.91	
5.....	---	118.18	118.18	---	140.20	153.17	5.....	---	117.63	120.48	---	132.91	143.95	
6.....	---	118.14	118.06	---	139.71	157.21	6.....	---	117.49	120.31	---	134.02	145.11	
7.....	---	118.27	---	120.36	140.17	---	7.....	---	117.35	---	119.71	135.08	---	
8.....	125.69	118.49	---	120.75	138.32	---	8.....	129.14	117.29	---	119.92	136.00	---	
9.....	124.67	119.09	117.72	120.84	---	157.33	9.....	128.57	117.33	120.08	120.01	---	146.28	
10.....	127.52	---	117.40	121.07	---	159.54	10.....	128.25	---	119.80	120.12	---	147.61	
11.....	125.92	---	117.37	121.34	139.41	158.07	11.....	127.83	---	119.51	120.25	136.97	148.81	
12.....	121.93	118.82	117.16	---	139.67	161.15	12.....	127.17	117.37	119.29	---	137.94	150.09	
13.....	---	119.38	117.23	---	137.57	163.97	13.....	---	117.65	119.06	---	138.64	151.56	
14.....	---	120.44	---	---	139.71	---	14.....	---	117.99	---	---	139.18	---	
15.....	120.48	120.67	---	122.50	139.89	---	15.....	126.51	118.31	---	120.44	139.72	---	
16.....	120.31	121.11	117.65	123.13	---	172.16	16.....	125.89	118.66	118.86	120.66	---	153.62	
17.....	120.30	---	119.50	124.19	---	179.18	17.....	125.33	---	118.74	121.02	---	156.15	
18.....	119.43	---	119.40	124.61	139.52	182.23	18.....	124.73	---	118.58	121.35	139.89	---	
19.....	118.53	121.58	119.38	---	140.05	188.61	19.....	124.09	119.01	118.44	---	140.22	---	
20.....	---	121.71	119.65	---	142.00	204.13	20.....	---	119.38	118.42	---	140.50	165.96	
21.....	---	120.49	---	124.82	141.90	---	21.....	---	119.59	---	121.61	140.52	---	
22.....	118.14	120.69	---	125.12	141.28	---	22.....	123.37	119.73	---	121.90	140.12	---	
23.....	115.24	120.64	119.75	127.06	---	208.53	23.....	122.49	119.85	118.43	122.40	---	169.81	
24.....	115.32	---	118.82	131.64	---	---	24.....	121.66	---	118.39	123.20	---	---	
25.....	115.85	---	119.74	131.80	141.21	---	25.....	120.96	---	118.47	123.97	140.04	---	
26.....	115.84	121.31	120.90	---	140.92	205.13	26.....	120.34	120.06	118.65	---	140.09	173.40	
27.....	---	121.78	---	---	141.57	193.39	27.....	---	120.30	---	---	140.21	176.25	
28.....	---	121.49	---	136.98	---	---	28.....	---	120.51	---	125.08	---	---	
29.....	116.30	120.00	---	134.99	145.43	---	29.....	119.72	120.61	---	125.06	140.56	---	
30.....	116.28	119.49	120.75	137.92	---	197.28	30.....	119.16	120.64	118.83	127.20	---	---	
31.....	117.34	---	---	141.50	---	203.20	31.....	118.48	---	---	128.58	---	182.26	
Ave.	120.68	119.96	118.78	125.93	140.91	174.84	Ave.	124.95	119.75	119.24	121.83	137.73	156.97	

Note: Dashes denote weekends and holidays.

January 1986

Horticultural and Tropical Products Division
Commodity Program FAS/USNA

TABLE 12
AVERAGE ANNUAL GREEN COFFEE PRICES
AND DISAPPEARANCE, 1975-1984

<u>Year</u>	<u>Price 1/ Dollars per Pound</u>	<u>Disappearance ICO Importing Countries 2/</u>			
		<u>U.S.</u>	<u>E.C.3/</u>	<u>Others</u>	<u>Total</u>
1975.....:	.65	20.0	20.6	13.0	53.6
1976.....:	1.42	20.9	21.1	13.2	55.2
1977.....:	2.35	15.7	18.2	10.9	44.7
1978.....:	1.63	17.9	19.9	12.0	49.8
1979.....:	1.74	19.0	23.0	13.2	55.3
1980.....:	1.55	17.4	22.3	13.0	52.7
1981.....:	1.28	18.2	24.0	13.8	56.0
1982.....:	1.40	18.3	24.1	13.6	56.0
1983.....:	1.32	17.9	24.5	14.5	57.0
1984.....:	1.45	18.4	23.3	14.3	56.0 ^{4/}

1/ Central Standards, average New York market price. When unavailable, price for Prime Guatemalan's ex-dock are used.

2/ Disappearance is derived on the basis of the data on net imports of all forms of coffee adjusted for changes in visible inventories. Due to rounding, the totals may not always reflect the sum of the relevant components.

3/ European Community.

4/ Preliminary.

Source: ICO

TABLE 13
AVERAGE MONTHLY AND ANNUAL WHOLESALE PRICES OF COFFEE IN THE UNITED STATES
(in cents per pound)

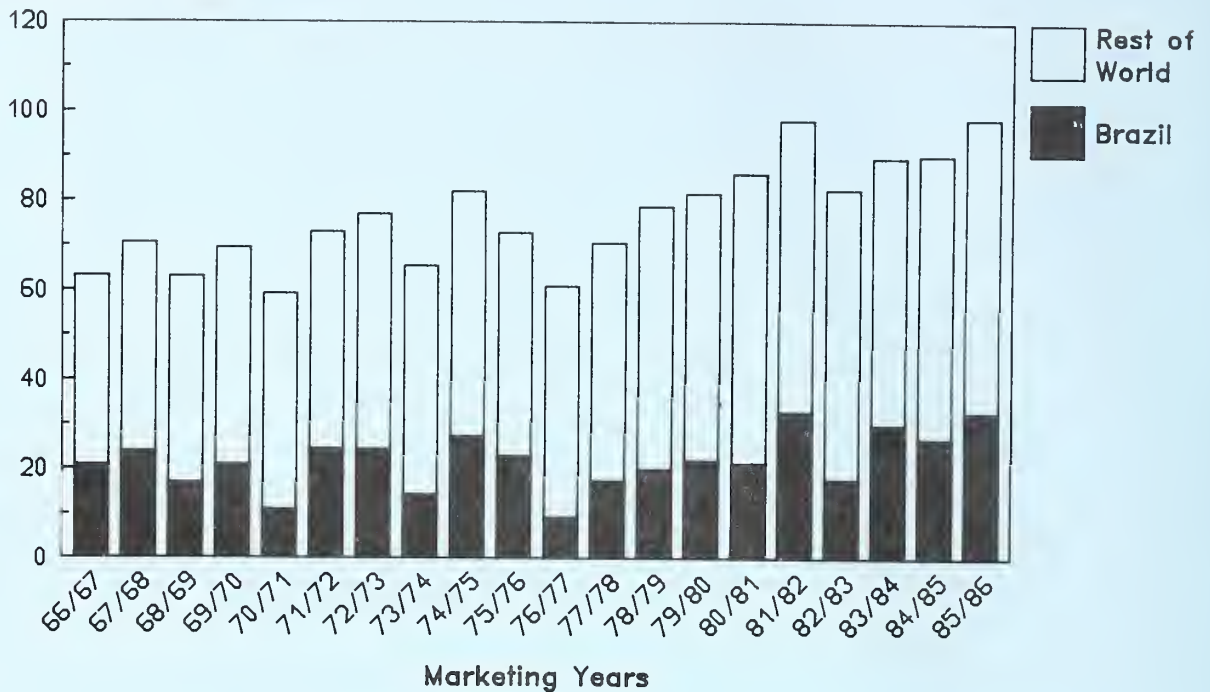
<u>Month/Year</u>	<u>Ground Roast per lb., all packs</u>	<u>Ground Roast in 1 lb. cans</u>	<u>Soluble per 16 ozs.</u>
January 1985	276.7	259.7	795.1
February	277.3	259.9	789.5
March	277.8	261.3	791.5
April	277.7	260.8	793.3
May	279.0	267.3	790.1
June	273.0	258.3	791.1
July	273.5	254.6	799.2
August	273.6	254.9	801.8
September	273.9	254.6	804.1
October	273.7	254.6	804.8
November	275.0	256.6	817.8
December	284.0	268.6	837.8
Average 1985	276.3	259.3	801.3
Average 1984	271.1	254.1	785.7
Average 1983	254.1	244.5	738.1

SOURCE: Bureau of Labor Statistics, U.S. Department of Labor

Graph 1

Coffee Production: Total World and Brazil 1966/67 to 1985/86

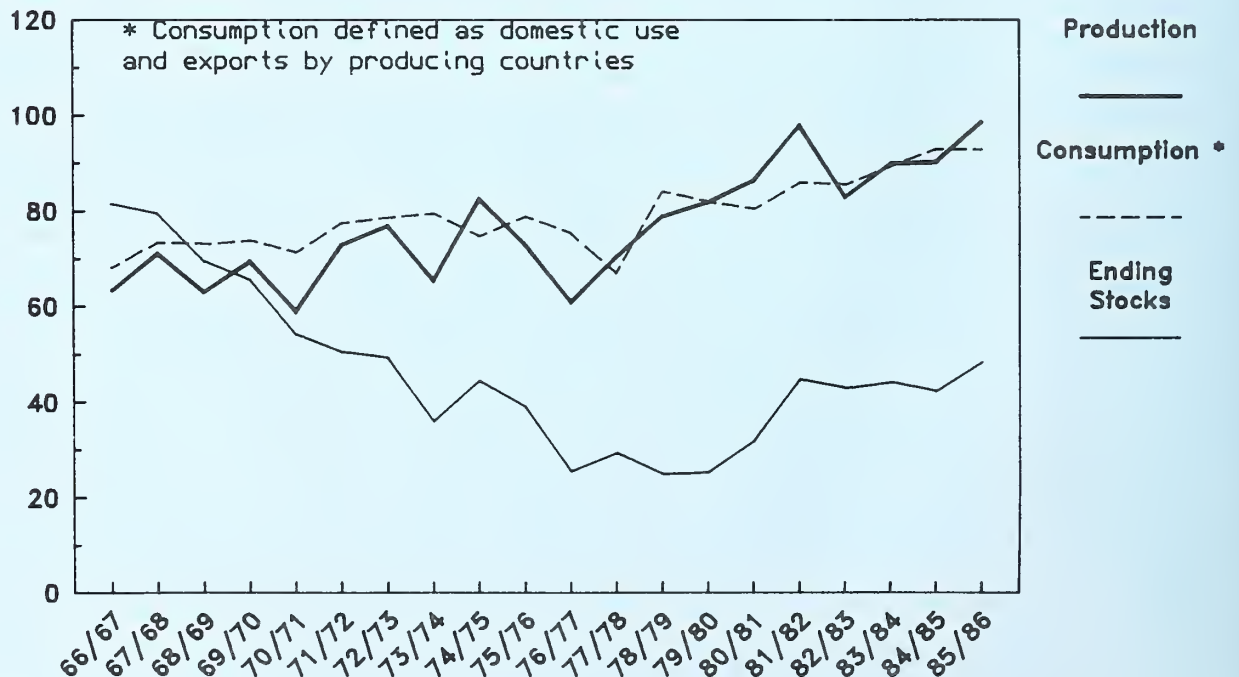
Millions of 60-Kg bags



Graph 2

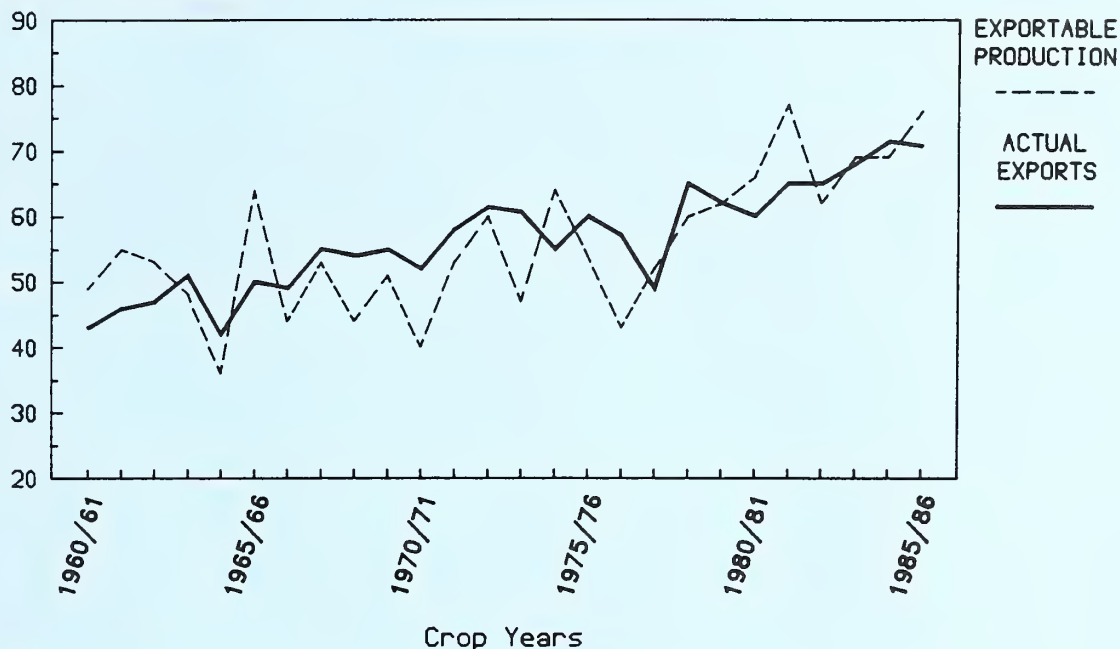
Coffee: World Production, Consumption and Stocks Marketing Years 1966/67 to 1985/86

Millions of 60-Kg Bags



WORLD COFFEE TRADE EXPORTABLE PRODUCTION AND ACTUAL EXPORTS

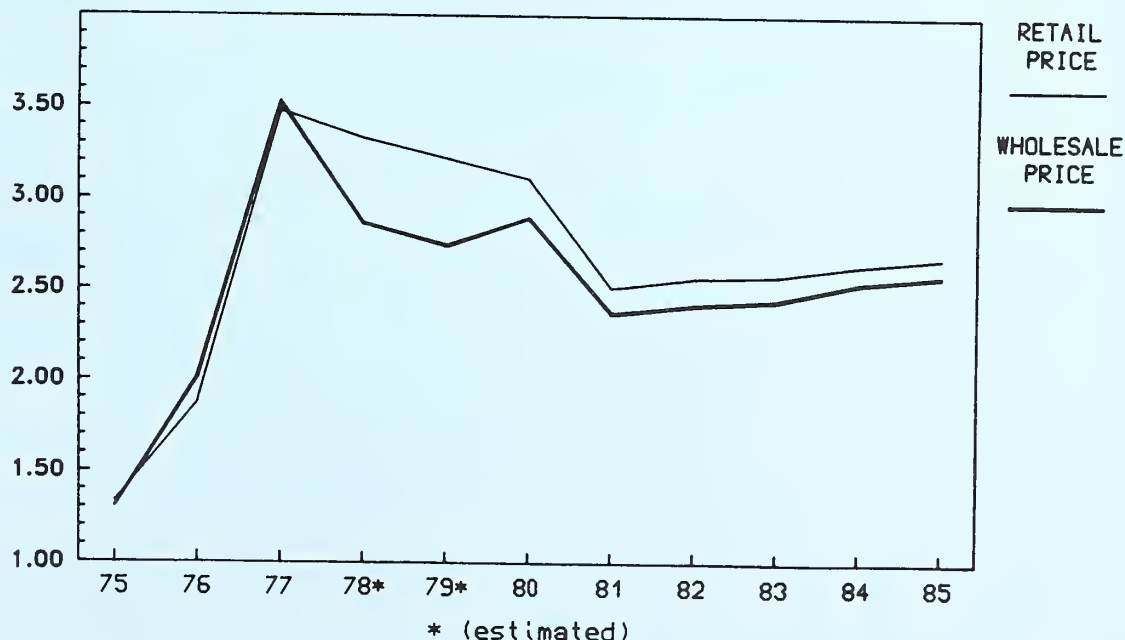
Millions of 60-Kg Bags



January 1986
Horticultural and Tropical Products Division
Foreign Agricultural Service, USDA

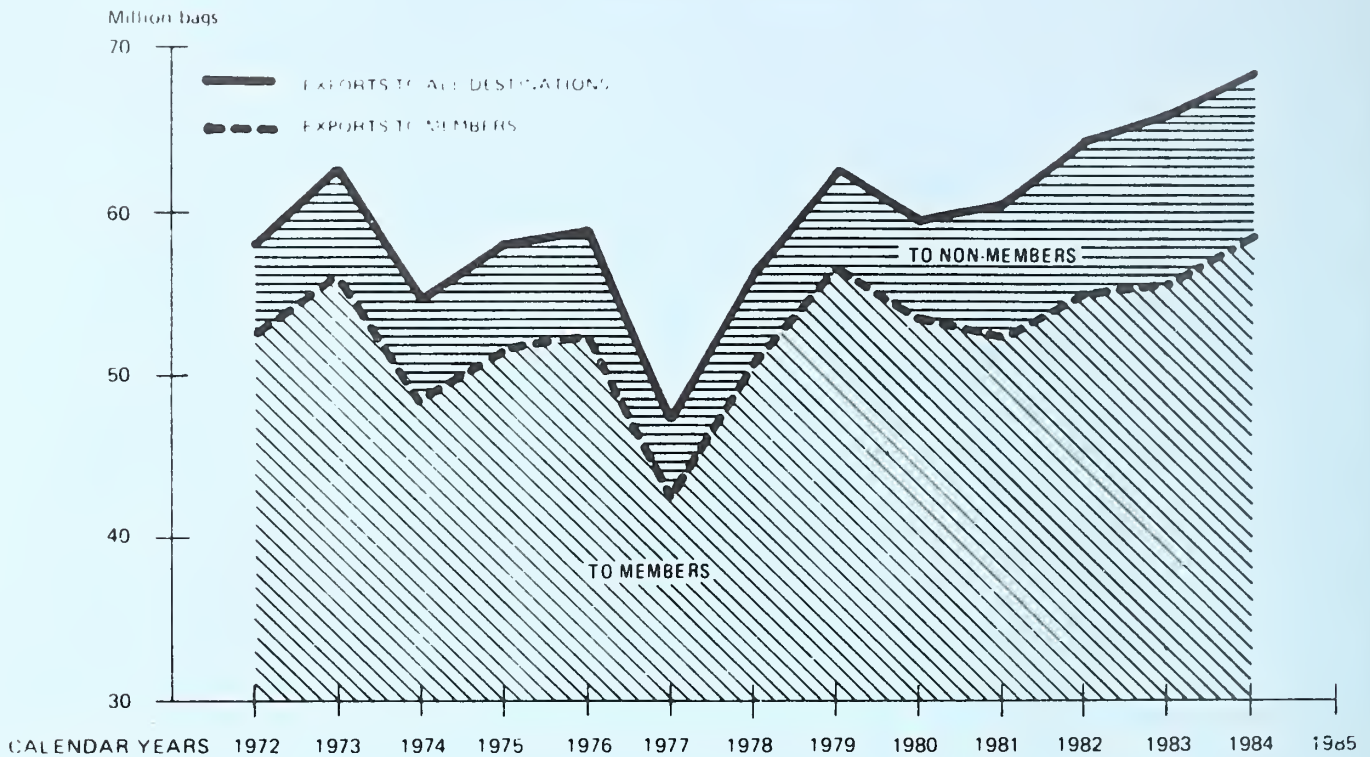
Graph 4 COFFEE IN THE UNITED STATES WHOLESALE AND RETAIL PRICE SERIES 1975-1985 (1985 PRELIMINARY)

Dollars per pound

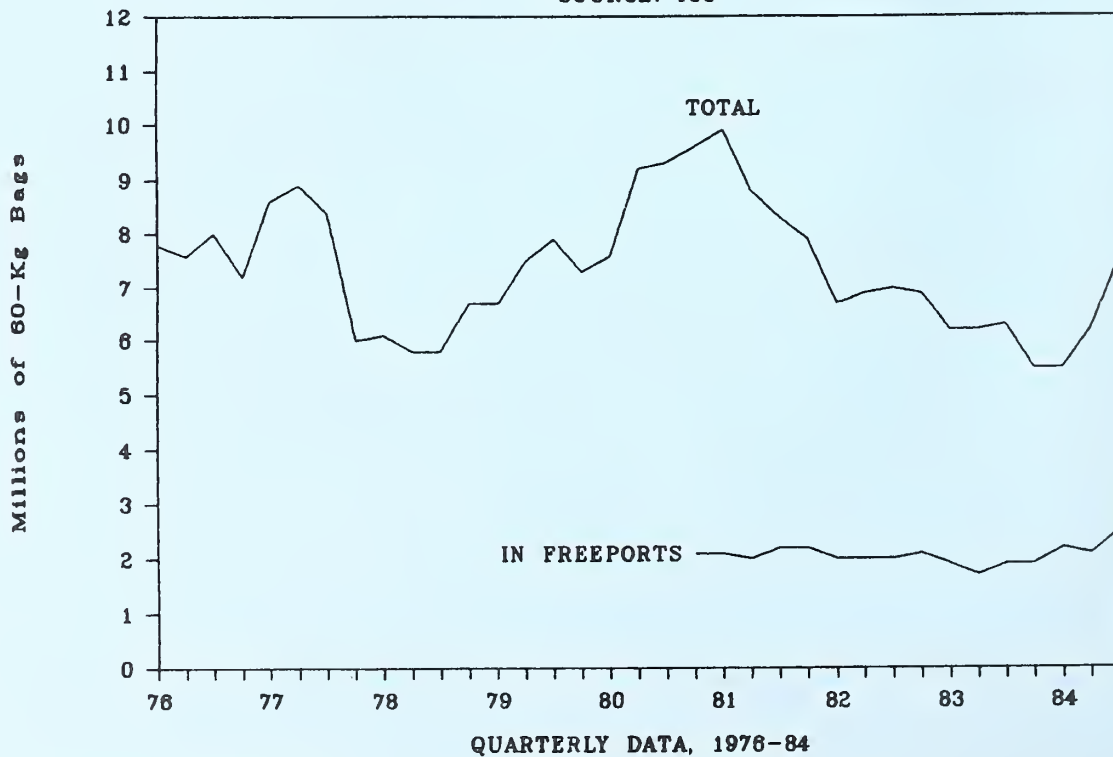


Horticultural and Tropical Products Division
Foreign Agricultural Service, USDA
January 1986

Graph 5
TOTAL EXPORTS BY EXPORTING MEMBERS TO ALL DESTINATIONS
CALENDAR YEARS 1972 TO 1985



Graph 6
COFFEE STOCKS HELD BY ICO IMPORTERS
SOURCE: ICO



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